

April 2009

U.S. Small Business Administration

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It's Your BUSINESS

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It's Your Business,
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Helping small businesses
start, grow and succeed.



Your Small Business Resource

50 YEARS OF SMALL BUSINESS SUCCESS



Mohawk Ltd. President
Cathy Newell

When Cathy Newell was graduating from RIT, she never anticipated spending more than a few years working at her father's small communications business in Chadwicks, NY. As Mohawk Ltd. celebrates its 50th year in business, Cathy continues to dedicate her career as the second-generation Newell president to building the company and her father's legacy.

Gordon J. Newell origi-

nally started Mohawk Communications in 1959 to provide logistics support and repair for federal government customers, particularly Griffiss Air Force Base in Rome. Military base realignments and closures during the 80s forced Mohawk Communications to creatively branch out to gain new customers. As a result, the company added new divisions focused on electronic, hydraulic, and pneumatic equipment and repair and expanded its territory from a 16-mile radius in Central New York to customers across the country.

In 1991, Cathy became president of the company and renamed it Mohawk Ltd. to more accurately encompass its many products and services. "We just kept evolving, growing the

number of products we sell and service, so changing the name and branding the company as a 'one source many solutions' company just made sense," explains Cathy. "We've persevered and survived many highs and lows over the years by being diversified."

Cathy was able to expand the company's operations with an SBA-backed 7(a) loan in 1993, using the loan to build a large parking lot for employees and purchase and renovate three buildings next to the company's original building. The additional space allowed Mohawk Ltd. to increase its capacity in the recently-added fiber optic, track vehicle, and equipment repair divisions. The expanded facility now sits on a 10-acre site, with

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OPERATION: START UP & GROW HONORS VETERAN

At the March 19, 2009 veterans business conference Operation: Start Up & Grow, Richard Casper, Rochester native and owner of the Jordan Box Company, Inc. in

Syracuse, was selected as the **Veteran-Owned Business Achievement Award** winner for his company's staying power, growth in sales, and response to adver-

sity.

Gathering his life experiences of military training and discipline in the U. S. Navy along with 13 years of manufacturing experience, Richard

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50 YEARS OF SMALL BUSINESS SUCCESS

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over 100,000 square feet of functional space. Mohawk Ltd. has grown from 35 employees before the expansion to over 65 local workers today, with additional sales reps across the country. Cathy credits her employees with much of the company's success, "Our loyal workforce is a tremendous asset to the company—we've had generations of families that have worked here since Mohawk's inception."

With Cathy's leadership, Mohawk Ltd. became a certified New

York State Woman-Owned Business Enterprise and a certified ISO facility by meeting high quality management standards. "Our Fortune 500 customers look for ISO certified companies to partner with," said Cathy.

After paying their original SBA guaranteed loan in full, Mohawk Ltd. used another 7(a) loan with Adirondack Bank in 2007 to provide working capital to expand the company's product lines and capabilities. Mohawk Ltd.'s newest product line includes custom-built trailers that can be designed for almost any

purpose. So far, their trailers have been designed to act as mobile command centers for government and police agencies, concession trailers for caterers and restaurants, and luxury mobile restroom trailers for large events. Cathy plans to have up to three of these luxurious mobile restroom trailers at this year's Utica Boilermaker Expo, an annual two-day celebration with more than 20,000 attendees that leads up to the 15K road race. "We hope to grow these specialty trailers into its own division, and the exposure from participating in the Boiler-

maker Expo will help," adds Cathy.

The current recession has had a limited impact on Mohawk, since more than 70 percent of its business comes from repairing existing equipment. Cathy said, "We've seen repair budgets for our customers increase to avoid having to purchase brand-new equipment. The greatest challenge continues to be the rapid change in the industry, but by constantly reinventing ourselves and staying flexible enough to react to changes quickly, we see these economic times as an opportunity."

OPERATION: START UP & GROW HONORS VETERAN

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Richard Casper, Jordan Box Company President and 2009 VOBA Award winner.

was well prepared to realize his dream of owning and managing his own manufacturing company.

Richard spent months looking for just the right company to purchase with business brokers, even sending out blind letters to companies across Upstate New York. A year later, the owners of a box manufacturing company in business since 1901 invited Richard to take a look at their business. Since Richard didn't have any back-

ground in making boxes, he worked at the company for a year to learn about the industry and to decide whether to buy the company.

At the end of the year, Richard purchased the box company and never looked back. Sixteen years later, he has more than doubled the sales revenue, with an all-time best sales year in 2008. Richard transitioned the company from relying on retailers to selling directly to other manufacturers. His customers now include medical equipment maker Welch Allyn, office products maker Avery Dennison, and library equip-

ment manufacturer Gaylord Brother, Inc. to name just a few.

Until last year, the Jordan Box Company was operating out of the original, inefficient space with four different floors. Richard demonstrated excellent leadership when he located and purchased new manufacturing space that will allow operations to become more efficient. The acquisition and renovation of his new manufacturing facility in 2008 is truly representative of the team approach Richard has used to address the challenges of competing in today's business environment.



RECOVERY ACT GIVES SBA TOOLS TO BOOST SMALL BUSINESSES

BY BERNARD J. PAPROCKI, SYRACUSE DISTRICT DIRECTOR

For small business owners across the country and right here in Central New York, the current recession creates more than headlines-it creates daily headaches. Without question, this economy directs increased attention to the SBA and makes our loan products and business counseling services more vital than ever.

So what can SBA do to improve small businesses ability to access credit? President Obama signed the **American Recovery and Reinvestment Act** on February 17. The bill includes new and enhanced SBA programs for financial assistance for small business owners. It provides \$730 million to SBA and makes changes to our lending and investment programs so we can reach more small businesses that need

help.

One of the new SBA loan programs created by the stimulus bill will place 100 percent SBA guarantees on loans of up to \$35,000 to viable small businesses that need help making payments on an existing, qualifying small business loan. Repayment is deferred until 12 months after the loan is fully disbursed, allowing small businesses time to refocus their business plans in order to succeed in the long run.

The stimulus bill provides \$375 million for temporary fee reductions or eliminations on SBA loans and increased SBA guarantees, up to 90 percent for certain loans. Currently, SBA can guarantee up to 75 or 85 percent depending on the size of the loan. Increasing the SBA guar-

antee percentage will encourage lenders to extend more capital to startup and existing small businesses by increasing the share covered by an SBA guarantee.

The bill expands SBA's Microloan program, which provides small loans up to \$35,000 paired with technical assistance to start-up, newly established or growing small businesses. It is an immediate option for small businesses, since the Microloan program is already in place with non-profit, community-based lenders across the country.

In addition to new and enhanced loan programs, our resource partners are fully funded and staffed to offer free business advice, assistance with

loan packages, and low-cost business training. Our local SBA staff is also available to assist small business owners at every stage of their entrepreneurial pursuits. To learn more about what SBA can do for your small business, please visit our website at www.sba.gov.

With these and other elements of the stimulus bill, SBA programs will make it easier and less expensive for small businesses to get loans, give risk-weary lenders new incentives to make more loans, unlock credit markets and begin economic recovery for the small business sector. SBA remains dedicated to supporting the backbone of the nation's economy, our small business community.

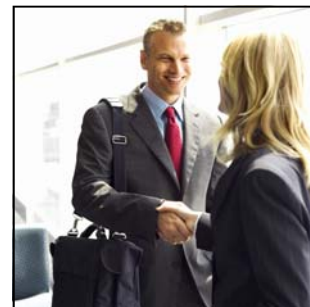
MWBE CONTRACTING OPPORTUNITY IN CHITTENANGO

Natgun Corporation is holding an outreach event with the NYS Environmental Facilities Corporation on **April 16 at 257 Genesee Street in Chittenango, NY.**

Natgun Corp. is seeking qualified minority and women business subcontractor opportunities in

the following areas: Furnishing Reinforcing Steel, Installing Reinforcing Steel, Furnishing Piping Products, Placing and Finishing Concrete, Paving and Crane Rentals for the Western Reservoir 20-MG Water Storage Tank in Van Buren, New York.

Please join us between 9:00 AM to 4:00 PM to discuss potential involvement with this project, as well as future projects. All interested and qualified minority and women's businesses please RSVP to Kate Mahoney at 781-224-5124 before April 13.



Contracting can boost your company in a recession.

BUSINESS.GOV LAUNCHES FIRST GOVERNMENT-SPONSORED ONLINE COMMUNITY FOR SMALL BUSINESSES

SBA's Business Gateway Program announced today the launch of a new Web initiative – <http://Community.Business.gov> – the first government-sponsored online community built specifically for small businesses.

The objective of the Business.gov Community supports the White House's mission to create a transparent and connected democracy, and aims to provide small business owners, blog-

gers, and the government with a place to discuss and share information about starting and running a successful business.

An extension of Business.gov, the Business.gov Community combines discussion forums, blogs, an idea exchange, and more, and offers advanced tools for navigating the labyrinth of government resources, policies, laws, and opportunities that impact the small

business owner.

In addition to providing a "home" where users can share expertise and unique experiences, the site also provides a pioneering opportunity for small businesses to provide direct input into Business.gov and voice the ways government and the online community can better serve them. For more details, please visit <http://www.business.gov>.

SAVE THE DATE: INTERNATIONAL TRADE EVENT IN SYRACUSE ON MAY 7

Manufacturers and service providers interested in starting or expanding operations in international markets should plan to attend "Going Global 2009" at the OnCenter in downtown Syracuse on **May 7**.

Attendees choose to attend the morning program with keynote speaker John Zogby and international trade expert panelists (\$50), an awards luncheon (\$45) or both (\$85). Attendees can also sign up online

for individual half-hour meetings with international experts to address their corporate questions and concerns.

For more event details and to register, please visit <http://www.bizeventz.com>.

SAVE THE DATE: LIFE AFTER THE MILITARY WORKSHOP AT FT. DRUM ON APRIL 24

The Watertown SBDC will present the "Life After The Military-Is Self-Employment Right For You?" on **April 24**.

The workshop is for current military members who are getting ready to retire or exit the service that are inter-

ested in owning their own business. The workshop will run from 1:00–4:00 p.m. at Clark Hall on Fort Drum.

If you are in the military and looking at opening a business but not sure how to research what is needed to start

that business either in NYS or your hometown, this workshop is for you.

Please contact Robin Stephenson at the Watertown SBDC at 315-782-9262 or sbdc@suny-jefferson.edu to register for this free workshop.

THE RAISIN TEST

"You're an accomplished entrepreneur—a leader of innovation and a person of action. Are you up for a challenge? **Try using two full minutes to eat a raisin.**

Was it harder to do than you thought? While slowing down to eat intentionally may not seem on the surface to be directly related to how effectively you're able to run your business, it's actually an ideal laboratory for the success-minded entrepreneur.

For most people, eating is something they do mindlessly, and both how and what they eat is almost purely habit. That's also how most people choose to approach their work. But entrepreneurs who find sustaining success are neither mindless nor habitual about their work."

To read the rest of this article by Kristin Wehner Keffeler, please visit <http://www.entrepreneur.com/worklife/index.html> and click on the "An Unexpected Key To Business Success" link.

Source: <http://www.entrepreneur.com/worklife/healthandfitness/healthyandwealthycolumnistkristinwehner/article200270.html>